

1st Funding Round 2002 – Frequently Asked Questions

The following are some of the questions of general applicability that have been raised during the course of our trainings and these past weeks, and our answers and clarifications to them. Feel free to contact the Committee if you still have questions.

1. What is the application deadline date for the second funding round in 2002?
July 16
2. Can applicants receive full Readiness points for a project that has a Reservation of HOME funds, if the NEPA process has not been completed?

No. The project must have its environmental review process completed in order to receive full Readiness points. It could, however, receive all but the NEPA/CEQA readiness points.

3. Can general partner experience points be gained using the experience of a person who formerly was a general partner, but is not currently a general partner in projects? If so, what is the maximum number of points that could be achieved?

Up to 5 points can be achieved in this situation. The full 6 points cannot be achieved because the former general partner could not provide the most current financial statement of the partnership, and, even if it could, that would not be relevant to the points since the person is no longer a part of the partnership.

4. What needs to be provided to get site amenities points?
 - a. a scaled to distance map
 - b. the name of the amenity (e.g. ABC Grocery store)
 - c. the address of the amenity
 - d. photographs of the amenity
 - e. a brief narrative description of the amenity
5. What is considered a “physical barrier” in the site amenities section?

A physical barrier is something that would prohibit a person from walking the indicated distance and arriving at the amenity; for example, a freeway, a river, a fence, or any impassable object

6. Would a “7/11” qualify as a grocery store for site amenities points?

No. We are looking for a store whose major function is providing groceries, and that sells fresh produce, for example, NOT a few pieces of fruit in a hanging basket.

7. What must be provided if one is requesting points for a site amenity that does not yet exist and what happens if it does not get built?

You must provide evidence that:

- a. it is planned (does it have approval of the planning department, is it properly zoned, etc.)
- b. funds are committed for it (approval from the source of financing) and
- c. that it will exist no more than 2 years after the project is placed in service.

This category is NOT meant for a developer to say that it will provide a non-existing amenity. It was rather intended for an amenity to be provided by a municipality; for example, a park that has been approved and planned and for which money has been set-aside, or a school in the same category.

Should the intended amenity not be built, negative points would be awarded.

8. Do all units in a large family project need to have dishwashers?

Yes, unless a waiver is requested and granted.

9. Can the same contracts as were used in 2001 be used for development team members in 2002?

No.

10. Can the same zoning letter be used in 2002 as in 2001?

No. You must have an updated letter since anything could have happened since last year.

11. Can the same neighborhood revitalization letters be used in 2002 as in 2001?

It is always better to have everything updated; however, if it is impossible, the same letters may be used in the first funding round of 2002. For the second funding round, however, letters must be updated.

12. Will TCAC accept a cost estimate from an environmental engineer instead of an architect for the threshold basis adjustment for environmental mitigation?

Yes.

13. If one is already applying for state credit, can the box be checked agreeing to exchange federal credit for even more state credit?

Yes, this is permissible.

14. In determining the sales price of homes within ½ mile for balanced communities points, is it the average sales price, and how far back can the data be drawn?

Yes, it is the average sales price. The data can be drawn for a period of one year prior to the application deadline.

15. For points in unincorporated communities without recent or any tax credit projects, what documentation must be submitted to show that an area constitutes a “community”?

This should be addressed both in the application and in the market study. One could use “designated census areas”, but should show that there is a community by whatever means possible, such as a common name for an area, and so on. If you have questions, please contact TCAC prior to the funding round.

16. How do we determine whether there has been a tax credit project in a community?

There is a posting of tax credit and tax-exempt bond financed projects since 1987 on the TCAC website. To determine whether a project is a 9% project or a tax-exempt project, look at the number of the project. If the numbers after the year are in a 800 or 900 series, the project is a tax-exempt bond project; otherwise, it is a 9%, competitive tax credit project. Your market study should also address this.

17. Will all RHS 514 projects be considered in the RHS/Rural set-aside, irrespective of their location?

Yes.

18. What qualifies as a “clinic” for site amenity points? Will a health department’s branch location, open only several times a month, and giving immunizations but not treating injuries or ailments, for example, qualify?

A clinic is licensed as such, and provides primary care services. It may be maintained by a government, as an outpatient department of a hospital, or be a community clinic. It is not a doctor’s office, a cluster of doctors’ offices, nor a branch of a health department.

19. Who must certify to the local impact fees being charged the development and in what circumstances must the certification be submitted in the application?

If an applicant is NOT attempting to get a threshold basis boost based on adding impact fees to the threshold basis, there is no need to get an outside certification of impact fees. In this situation, the applicant must still fill out Attachment 42A.

If an applicant is attempting to get a threshold basis boost and/or points using impact fees, then the applicant must submit documentation relating to each impact fee from a third party source. We recognize that the amount may not be final and may be an estimate based on such things as the proposed square footage in the development.

Ideally, the entity charging the fee can at least give an estimate of the fees to be charged based on the development's plans. In cases where there is a formula to be applied, such as with school fees, and if it is not possible to get a letter from the school district, one can take the fee schedule from the website, for example, and have one's architect prepare a document stating what the estimated impact fee will be. However, Attachment 42A filled out by the applicant itself, will NOT suffice for the basis boost or for points to be awarded.

3/5/02